STATE OF CALIFORNIA STEVE WESTLY,
California State Controller

STATE CONTROLLER'S OFFICE PERSONNEL/PAYROLL SERVICES DIVISION P. O. BOX 942850 Sacramento, CA 94250-5878

DATE: September 27, 2006 PAYROLL LETTER #06-018 CSU ONLY

TO: All Campuses in the Uniform State Payroll System

FROM: DON SCHEPPMANN, Chief Personnel/Payroll Services Division

RE: SEPTEMBER 27, 2006 PAYROLL CYCLE

Pursuant to bargaining unit contracts, the State Controller's Office has been updating the employment history data base to provide the majority of civil service employees their retroactive July 1, 2006 general salary increase. The retroactive pay adjustments resulting from the salary increase will be issued in the September 27, 2006 (Wednesday) daily payroll cycle (issue dated 09/28/06). The release of all outputs from the cycle will be delayed due to the significant number of adjustment payments involved.

The State Controller's Office Administration and Disbursements Division will begin releasing the payrolls on September 30, 2006. The payrolls that are mailed will be the first group released and sent via the express mail service (i.e., one day delivery). Payrolls that are picked up will be available beginning of business on Monday, October 2, 2006.

The direct deposit process will not be affected by the above delay. Other than the supplemental green September 2006 master payments, the direct deposit payments will be posted to the employees' account from September 29, 2006 through October 2, 2006 depending upon an employee's financial institution.

Your cooperation and understanding of the delay is appreciated. If there are any questions, please contact the CSU Payroll Liaison Unit at (916) 322-7980.

DS:LMS:PMAB